

MONTANA DEPARTMENT OF MILITARY AFFAIRS
INFORMATION SHEET HB 155**HOUSE BILL NO. 155****A BILL TO REESTABLISH THE LIFE INSURANCE PREMIUM REIMBURSEMENT PROGRAM WHICH WILL REIMBURSE LIFE INSURANCE PREMIUMS PAID BY ELIGIBLE MT RESIDENTS WHO ARE MT NATIONAL GUARDSMEN, RESERVISTS, OR MEMBERS OF THE ARMED FORCES, AND PERFORMED ACTIVE MILITARY DUTY IN A CONTINGENCY OPERATION.****HB 155 REESTABLISHES INSURANCE PREMIUM REIMBURSEMENT PROGRAM**

HB 155 will reestablish and fund the life insurance reimbursement program (the "Program") which was established by the 2005 Montana legislature and was codified beginning at Title 10, Chapter 1, of the Montana Code Annotated. The Program will provide a reimbursement to eligible MT residents who are MT National Guardsmen, federal reservists, or members of the armed forces, and have served on active duty in a contingency operation both inside and outside of the United States, for insurance premiums paid (up to \$17.50 a month) for coverage under the federal Servicemembers' Group Life Insurance Program ("SGLI").

The intent of the Program is to provide a financial benefit to members of the MT National Guard, federal reserves, and armed forces in recognition of their performance of extended periods of active duty in support of contingency operations. The Program attempts to ensure that surviving dependents, of service members who die while participating in a contingency operation, will be left with adequate financial resources.

SUNSET PROVISIONS WERE OVERBROAD; SOME ARE LEFT OUT:

In November of 2006, both the Program, and its applicable statutes, terminated pursuant to the sunset provisions established by the 2005 legislature. The sunset provisions provided, in part, that the entire Program would terminate once the federal government began paying any service members for SGLI premiums for at least \$250,000 of coverage in the event of a service member's death.

Pursuant to the National Defense Authorization Act of 2007, the federal government began to reimburse selected national guardsmen, reservists, and members of the armed forces (i.e., those serving outside the United States on contingency orders in support of Operations Enduring Freedom or Iraqi Freedom) for premiums paid for up to \$400,000 of SGLI coverage (at a basic premium rate of \$28.00 per month).

HB 155 will reinstate a life insurance reimbursement benefit to those qualifying Montana National Guardsmen, reservists, and members of the armed forces, who serve on contingency operations, but are not eligible for federally reimbursed insurance premiums (ex. backfill of active duty Military Police units within the US).

Department Point of Contact: Major General Randall D. Mosley, The Adjutant General for the State of Montana, 406.324.3010.